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FISCAL IMPACT STATEMENT

LS 7896 | **NOTE PREPARED:** Jan 16, 2005
BILL NUMBER: SB 529 | **BILL AMENDED:**

SUBJECT: Department of Child Services.

FIRST AUTHOR: Sen. Lawson C | **BILL STATUS:** As Introduced
FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL | **IMPACT:** State
X DEDICATED
X FEDERAL

Summary of Legislation: This bill extends the expiration of the Office of the Secretary of Family and Social Services (FSSA) and its divisions to January 1, 2008.

The bill also establishes the Department of Child Services and removes: (1) child protection service duties; (2) child support services under Title IV-D; (3) adoption services; (4) foster care services; and (5) independent living services; to the Department.

The bill repeals: (1) statutes that require county offices of the Division of Family and Children to establish a local child protection service; and (2) the designation of the Child Support Bureau as the state's designated Title IV-D agency.

Effective Date: Upon passage; July 1, 2005.

Explanation of State Expenditures: *Summary:* This bill creates the Department of Child Services and removes child protection service duties from the county offices of the Division of Family and Children and removes the Title IV-D program from the Child Support Bureau. The establishment of a Department of Child Services and the statutory transfer of various functions and responsibilities of the Department will not necessarily represent a fiscal impact to the state. Any costs that might be incurred from a physical relocation of offices and any expenditures that could be reduced because of operational efficiencies will depend upon administrative action.

This bill also reauthorizes the administrative structure of FSSA until January 1, 2008. The fiscal impact of allowing the legislative authorization for FSSA to expire would most likely be related to the termination of rule-making authority that is vested in the entities that would sunset.

Background Information on the Department of Child Services: The Governor is to appoint a director of the Department of Child Services. The director is entitled to compensation set by the State Budget Agency. The director shall determine the best manner of organizing the Department.

The Department is responsible for the following: (1) providing child protection services, (2) administering the state's plan for the administration of Title IV-D of the federal Social Security Act, (3) administering foster care services, (4) administering independent living services, and (5) administering adoption services.

The bill allows the Department to adopt rules as necessary to carry out the Department's duties.

The bill transfers all employees of local, joint-county, or multiple-county child protection services to the Department. It requires the state to recognize any service an employee provided before the effective date of this bill for calculation of benefits or retention points. FSSA currently employs approximately 800 child protective services workers.

Background Information on the Reauthorization of FSSA: This bill extends the expiration date of the administrative structure of FSSA to January 1, 2008. (Current law provides for the expiration of the administrative structure on January 1, 2006.) The FSSA administrative offices affected are:

(1) The Office of the Secretary of Family and Social Services.
(2) The Office of Medicaid Policy and Planning.

The bill also extends to January 1, 2008, the expiration date of a statute that governs procedures of Family and Social Services advisory councils and the expiration date of statutes that relate to certain powers of the directors of the following divisions:

(1) Disability, Aging, and Rehabilitative Services.
(2) Family and Children.
(3) Mental Health and Addiction.

This bill will continue the administrative structure of FSSA as it currently exists, although certain program functions and responsibilities are transferred by the bill from the Division of Family and Children to the newly established Department of Child Services. Depending upon the actions of the administration, failure to extend the expiration date, in practice, would not necessarily have an immediate fiscal impact. Upon its statutory expiration on July 1, 1999, FSSA was extended by the Governor's executive order. In lieu of extending the expiration date or a continuation of the executive order, if the positions were able to be reallocated under the existing appropriations, any potential fiscal impact from the termination of these entities would more likely arise from the loss of rule-making authority vested in these positions by statute.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Family and Social Services Administration.

Local Agencies Affected:

Information Sources:

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